

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

*Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Offer Document of the Company dated 7 January 2016 (the “**Offer Document**”).*

GS Holdings Limited (the “Company”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 18 January 2016. The initial public offering (the “**IPO**”) of the Company was sponsored by UOB Kay Hian Private Limited (the “**Sponsor**”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of the announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Mr. Alvin Soh, Head of Catalist Operations, Senior Vice President and Mr. Lan Kang Ming, Vice President, who can be contacted at 8 Anthony Road #01-01, Singapore 229957, Telephone: +65 6590 6881.

Background

The Company was incorporated in Singapore on 19 September 2014 under the Act as a public company limited by shares, under the name “GS Holdings Limited”. The Group undertook a corporate reorganisation (the “**Restructuring Exercise**”) to rationalise and streamline the Group corporate structure, under which the Company became the ultimate holding company for the Group. Please refer to the Offer Document for further details on the Restructuring Exercise.

The Group is an established centralised commercial dishware washing company providing a “one-stop shop” solution for its customers’ cleaning needs in the food and beverage industry in Singapore. The Group specialises in end-to-end cleaning services with a focus on centralised commercial dishware washing services. The Group is a dishware washing specialist in Singapore with ISO 22000: 2005 certification and Halal certification serving customers island-wide through its strategically-located centralised dishware washing facilities.

For the purpose of this announcement, the results of the Group for the financial year ended 31 December 2015 (“FY2015”) and the comparative results of the Group for the financial year ended 31 December 2014 (“FY2014”) have been prepared on the assumption that the group structure following the completion of the Restructuring Exercise has been in place since 1 January 2014.

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

COMBINED STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2014 ("FY2014") and financial year ended 31 December 2015 ("FY2015")

	Group FY2015 S\$'000	Group FY2014 S\$'000	Increase/ (Decrease) %
Continuing operations			
Revenue	6,259	2,449	156%
Cost of sales	(6,134)	(3,130)	96%
Gross Profit	125	(681)	N.M. ¹
Other income	1,201	443	171%
Administrative expenses	(1,966)	(1,026)	92%
Other operating expenses	(1,267)	-	N.M.
Results from operating activities	(1,907)	(1,264)	51%
Finance costs	(178)	(46)	287%
Loss after tax from continuing operations for the year	(2,085)	(1,310)	59%
Income tax expense	(58)	-	N.M.
Loss for the year	(2,143)	(1,310)	64%
Discontinued operation			
Profit from discontinued operation, net of tax	-	2,447	N.M.
(Loss)/Profit for the year, net of tax	(2,143)	1,137	N.M.
Loss attributable to:			
Equity holders of the Company			
Equity holders of the Company	(2,143)	1,137	N.M.
Non-controlling interests	-	-	
	(2,143)	1,137	N.M.

¹ Not meaningful

Statement of Comprehensive Income

	Group FY2015 S\$'000	Group FY2014 S\$'000	Increase/ (Decrease) %
Net loss for the period ended	(2,143)	1,137	N.M.
Other comprehensive income:			
<i>Currency translation differences</i>			
Revaluation gain or property, plant and equipment	-	2,919	N.M.
Revaluation gain or property, plant and equipment	-	-	
Other comprehensive income for the period, net of tax	-	2,919	
Total comprehensive income for the period	(2,143)	4,056	
Total comprehensive income attributable to:			
Owners of the Company	(2,143)	4,056	N.M.
Non-controlling interests	-	-	
	(2,143)	4,056	

1(a)(ii) Notes to combined statements of profit or loss and other comprehensive income.

	Group FY2015 S\$'000	Group FY2014 S\$'000	Increase/ (Decrease) %
Loss for the period include the following (charges)/credits:			
Finance expenses:	(178)	(46)	287%
- bank borrowings	(155)	(35)	343%
- finance lease liabilities	(23)	(11)	109%
Allowance for doubtful receivables	(14)	(12)	17%
Depreciation of property, plant and equipment	(571)	(361)	58%
Rental expense	(520)	(280)	86%
Personnel expenses	(5,028)	(1,936)	160%
Property, plant and equipment written off	-	(12)	N.M.
Subcontractor expenses	(284)	(577)	(51%)
Income tax credit/(expense):			
- current income tax	(58)	(141)	(59%)
- deferred income tax	-	-	

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

COMBINED STATEMENT OF FINANCIAL POSITION

	Group As at <u>31 Dec 2015</u> S\$'000	Group As at <u>31 Dec 2014</u> S\$'000	Company As at <u>31 Dec 2015</u> S\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	8,817	1,597	
Investment property	4,775	4,484	
Investments in subsidiaries	-	-	9,071
	<u>13,592</u>	<u>6,081</u>	<u>9,071</u>
Current assets			
Inventories	3	36	
Trade and Other Receivables	2,214	5,877	377
Cash and bank balances	1,081	4,741	1
	<u>3,298</u>	<u>10,654</u>	<u>378</u>
Total assets	<u>16,890</u>	<u>16,734</u>	<u>9,449</u>
EQUITY			
Equity attributable to owners of the Company			
Share capital	3,704	3,000	3,704
Foreign currency translation reserves	-	-	
Assets revaluation reserve	2,919	2,919	
Accumulated profit/(losses) b/f	2,677	1,539	(1,276)
Merger Reserve	(6,071)	-	
Current year results	<u>(2,143)</u>	<u>1,137</u>	
Equity attributable to equity holders of the Company	<u>1,086</u>	<u>8,595</u>	<u>2,428</u>
Total equity	<u>1,086</u>	<u>8,595</u>	<u>2,428</u>
LIABILITIES			
Non-current liabilities			
Term loans	9,424	1,181	-
Borrowings	496	216	-
	<u>9,920</u>	<u>1,397</u>	<u>-</u>
Current Liabilities			
Trade and other payables	2,522	4,243	7,021
Provision for tax	108	185	-
Loans and borrowings	3,254	2,313	-
	<u>5,884</u>	<u>6,741</u>	<u>7,021</u>
Total liabilities	<u>15,804</u>	<u>8,138</u>	<u>7,021</u>
Total equity and liabilities	<u>16,890</u>	<u>16,734</u>	<u>9,449</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable by the Group in one year or less, or on demand**

As at 31 Dec 2015 (S\$'000)		As at 31 Dec 2014 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
3,254	nil	2,313	nil

Amount repayable by the Group after one year

As at 31 Dec 2015 (S\$'000)		As at 31 Dec 2014 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
9,920	nil	1,397	nil

Details of collateral

As at the date of the statement of financial position, total borrowings included secured liabilities of S\$13,174,000 (31 December 2014: S\$3,710,000) for the Group. Secured bank loans amounting to S\$12,515,000 (31 December 2014: S\$3,403,000) are secured and/or guaranteed by one or several collateral(s) including:

(i) a legal mortgage over our Group's property at 16A Sungei Kadut Way and/or 7 Mandai Link and/or 8 Loyang Way 4, (ii) charges over fixed deposits, (iii) corporate guarantees by Hawkerway or GreatSolutions or our Company, (iv) personal guarantees from our Executive Chairman and Chief Executive Officer, Mr. Pang Pok, (v) legal mortgages over certain of Mr. Pang Pok's personal properties and (vi) insurance claims.

Other finance lease liabilities of the Group amounting to S\$659,000 (31 December 2014: S\$307,000) are secured by the rights to the Group's motor vehicles and machinery.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

COMBINED STATEMENT OF CASH FLOWS

	Group FY2015 S\$'000	Group FY2014 S\$'000
Cash flows from operating activities		
Loss before tax from continuing operations	(2,085)	(1,310)
Profit before tax from discontinued operation	-	2,588
Adjustments for:		
Depreciation	571	598
Interest income	(9)	(1)
Interest expense	178	59
(Gain)/loss on disposal of property, plant and equipment, net	31	(1,578)
Gain on disposal of subsidiaries	-	(109)
Property, plant and equipment written off	-	12
Gain on revaluation of property	(64)	-
IPO expenses recognised	1,267	-
	<hr/>	<hr/>
Operating cash flow before working capital changes	(111)	259
Changes in working capital:		
Inventories	32	(43)
Receivables	(2,778)	(3,197)
Payables	(877)	1,837
Cash flows (used in)/generated from operations	<hr/> (3,734)	<hr/> (1,144)
Income tax paid	(136)	(45)
Interest income	9	1
Interest expenses	<hr/> (178)	<hr/> (59)
Net cash used in operating activities	<hr/> (4,039)	<hr/> (1,247)
Cash flow from investing activities		
	Group FY2015 S\$'000	Group FY2014 S\$'000
Purchases of property, plant and equipment	(7,890)	(1,184)
Additions to investment property	(227)	-
Proceeds from disposal of property, plant and equipment	67	2,992
Disposal of a subsidiary, net of cash disposed	-	387
	<hr/>	<hr/>
Net cash used in investing activities	(8,050)	2,195
Cash flow from financing activities		
Bank deposit pledged	-	(200)
Bank deposit released	200	-
Repayment of finance lease obligations	(153)	(107)
Proceeds from finance lease	504	-

Proceeds from bank borrowings	10,334	200
Repayment of bank borrowings	(1,220)	(1,023)
Proceeds from issuance of ordinary shares	50	600
Payment of IPO expenses	(1,086)	
Other payables - third parties	-	2,300
Net cash generated from financing activities	8,629	1,770
Net (decrease)/increase in cash and cash equivalents	(3,460)	2,718
Cash and cash equivalents at beginning of the period	4,486	1,768
Cash and cash equivalents at end of the period (Note A)	1,026	4,486

1(c)(ii) Note A:

For the purpose of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following:

	Group FY2015 S\$'000	Group FY2014 S\$'000
Cash at bank and on hand	1,081	4,741
Short-term bank deposits	-	-
Cash and cash equivalents per Group statement of financial position	1,081	4,741
Less: Deposits placed with banks as security	(55)	(255)
Cash and cash equivalents per consolidated cash flow statement	1,026	4,486

1(d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY

Group

	Share capital S\$'000	Asset Revaluation Reserve S\$'000	Retained Earnings S\$'000	Merger Reserve S\$'000	Total attributable to owners of the Company S\$'000	Total equity S\$'000
FY 2015						
At 1 January 2015	3,000	2,919	2,677	-	8,596	8,596
Profit for the period, representing total comprehensive income for the financial year			(2,143)	-	(2,143)	(2,143)
Issuance of ordinary shares on restructuring	1,354	-	-	-	1,354	1,354
Conversion of convertible loan to equity	2,350	-	-	-	2,350	2,350
Adjustments to capital from restructuring exercise	(3,000)	-	-	(6,071)	(9,071)	(9,071)
At 31 December 2015	3,704	2,919	534	(6,071)	1,086	1,086
FY 2014						
At 1 January 2014	1,400	-	1,539	-	2,939	2,939
Profit for the period			1,137	-	1,137	1,137
Other comprehensive income						
Revaluation gain on property, plant and equipment		2,919		-	2,919	2,919
Total comprehensive income for the financial year	-	2,919		-	2,919	2,919
Issuance of ordinary shares on incorporation of subsidiaries	100	-	-	-	100	100
Issuance of ordinary shares	1,500	-	-	-	1,500	1,500

At 31 December 2014

Company

3,000	2,919	2,677	-	8,596	8,596
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	Share capital S\$'000	Other reserves S\$'000	Accumulated Losses S\$'000	Total S\$'000
FY 2015				
At 1 January 2015	0	-	-	0
Loss for the period	-	-	(1,276)	(1,276)
Issue of shares from conversion of convertible loan	2,350	-	-	2,350
Issue of shares from restructuring exercise	1,354	-	-	1,354
At 31 December 2015	3,704	-	(1,276)	2,428
FY 2014				
At 1 January 2014	-	-	-	-
Issue of shares	0	-	-	0
At 31 December 2014	0	-	-	0

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issue, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

	Resultant no. of shares	Issued and paid-up share capital (\$\$)
Issued and paid-up share capital as at incorporation	1	1
Issue of shares pursuant to the Restructuring Exercise	1,000	1,354,556
Sub-division	84,200,000	1,354,556
Issue of new shares pursuant to the conversion of the Convertible Loan	100,000,000	3,704,556
Issue of new placement shares pursuant to the Listing	124,000,000	9,195,679
Post-IPO issued and paid-up share capital	124,000,000	9,195,679

The Company did not have any treasury shares or any outstanding options or convertibles as at 31 December 2015.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

An additional 24,000,000 shares were issued and allotted on 18 January 2016 in connection with the IPO. As such, the total number of issued shares excluding treasury shares immediately post-IPO and as at the end of the immediately preceding year is as follows:

	Immediately Post-IPO	As at 31 December 2015	As at 31 December 2014
Total number of issued shares (excluding treasury shares)	<u>124,000,000</u>	<u>100,000,000</u>	<u>1</u>

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There are no treasury shares held by the Company.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors of the Company.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial results for the financial year under review have been prepared using the same accounting policies and methods of computation as presented in the Group's most recently audited financial statements for the financial year ended 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group and the Company adopted the new and revised Financial Reporting Standards ("FRS") which are effective for FY2015. The adoption of the new and revised FRS did not result in any material impact on the Group's and Company's financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group	
	Continuing Operations	
	<u>FY2015</u>	<u>FY2014</u>
	<u>S\$'000</u>	<u>S\$'000</u>
Profit attributable to owners of the Company	(2,143)	(1,310)
Actual number of ordinary shares	124,000	124,000
Basic and diluted EPS based on actual number of shares (cents)	(1.73)	(1.06)

For comparative purposes, the earnings per share for the respective financial years have been computed based on the profit attributable to owners of the Company from continuing operations and the Company's enlarged share capital of 124,000,000 shares, assuming that the issuance of the 24,000,000 New Shares pursuant to the IPO had been completed as at the end of the respective financial years.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and (b) immediately preceding financial year.

	Group As at 31 Dec 2015	Group As at 31 Dec 2014	Company As at 31 Dec 2015	Company As at 31 Dec 2014
Net asset value per ordinary share based on issued share capital (cents)	0.88	6.93	1.96	0.01 ⁽¹⁾

Note:

(1) The Company was incorporated on 14 September 2014 with a paid up capital of S\$1.00 and the NAV as at 31 December 2014 remained at S\$1.00.

For comparison and illustrative purposes, the calculation for the NAV per share for the respective financial years is based on the post-IPO share capital of 124,000,000 shares in issue.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Our revenue increased by approximately S\$3.8 million, or 155.6%, from S\$2.5 million in FY2014 to S\$6.3 million in FY2015 mainly due to additional new contracts secured during FY2015 such as Big Box, F&B tenants in shopping malls such as IMM, The Star Vista and Westgate and the increased revenue contribution from Paradise Group and a public tertiary hospital which is the first and largest general hospital located in the central part of Singapore.

Cost of sales and gross profits

Our cost of sales increased by approximately S\$3.0 million, or 96.0%, from S\$3.1 million in FY2014 to S\$6.1 million in FY2015 mainly due to the increase in labour costs of S\$2.5 million in line with the increase in business activities and the increase in overheads by S\$0.8 million due mainly to our centralised dishwashing facility in IMM. This was partially offset by the decrease in sub-contracting cost by S\$0.3 million.

Our overall gross profit increased by S\$0.8 million from a gross loss of S\$0.7 million in FY2014 to a gross profit of S\$0.1 million in FY2015. Our overall gross margin increased from a gross loss margin of 27.8% in FY2014 to a gross profit margin of 2.0% in FY2015 which was mainly attributable to the more than proportionate increase in revenue as compared to the increase in labour costs and overhead expenses as our operations achieved economies of scale from the increased volume.

Other income

Other income increased by approximately S\$0.8 million, or 171.1%, from approximately S\$0.4 million in FY2014 to approximately S\$1.2 million in FY2015. The increase was mainly attributable to rental income of S\$0.6 million from our property in 16A Sungei Kadut Way.

Administration expenses

Our administrative expenses increased by approximately S\$0.9 million, or 91.6%, from S\$1.0 million in FY2014 to S\$2.0 million in FY2015. The increase in administrative expenses was mainly due (i) the increase in salaries and related expenses of S\$0.7 million as a result of an increase in headcount in line with the increase in business activities; (ii) an increase in depreciation expenses of approximately S\$90,000; and (iii) an increase in other expenses of approximately S\$0.2 million such as repair and maintenance expenses, property tax, professional fees and insurance expenses.

Finance Cost

Our finance costs increased by approximately S\$132,000, or 287.0%, from approximately S\$46,000 in FY2014 to approximately S\$179,000 in FY2015. The increase was mainly attributable to the higher level of loans and borrowings in FY2015.

Other operating expenses

Other operating expenses increased by S\$1.3 million in FY2015 mainly attributable to the one-off professional fees in relation to the Restructuring Exercise and the IPO.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Non-current assets

Our non-current assets increased by S\$7.5 million, or 123.5%, from S\$6.1 million as at 31 December 2014 to S\$13.6 million as at 31 December 2015. This was mainly due to the increase in property, plant and equipment by S\$7.2 million as a result of the acquisition of the property at 8 Loyang Way 4 for the Group's new centralised dishware washing facility.

Current assets

Our current assets decreased by S\$7.4 million, or 69.2%, from S\$10.7 million as at 31 December 2014 to S\$3.3 million as at 31 December 2015. This was mainly due to (i) decreased in trade and other receivables by S\$3.7 million a result of a decrease in amounts due from a Director and related parties amounting to S\$4.4 million pursuant to the restructuring exercise partially offset by an increase in prepayments amounting to S\$0.2 million pertaining to IPO expenses and an increase in trade receivables by S\$0.5 million in line with the increase in revenue; and (ii) decreased in cash and bank balances by S\$3.7 million as a result of net cash outflow from operating and investing activities partially offset by the cash generated from financing. Please refer to the Review of the Group's Cash Flow Statement for further details.

Non-current liabilities

Our non-current liabilities, comprising the non-current portion of our loans and borrowings, increased by S\$8.5 million, or 610.1% from S\$1.4 million as at 31 December 2014 to S\$9.9 million as at 31 December 2015. This was mainly due to the mortgage loan of S\$5.6 million for our new property at 8 Loyang Way 4, additional working capital loans amounting to approximately S\$4.6 million and additional hire purchase financing of S\$0.5 million repayable.

Current liabilities

Trade and other payables fell by S\$1.8 million, or 41.9%, from S\$4.3 million as at 31 December 2014 to S\$2.5 million as at 31 December 2015 main due to the conversion of the convertible loan into share capital pursuant to the restructuring exercise prior to the IPO² offset by an increase in accrued expenses of S\$0.4 million relating to IPO costs.

Our tax payables decreased by approximately S\$77,000, or 41.6%, from S\$185,000 as at 31 December 2014 to approximately \$108,000 as at 31 December 2015 due to higher tax provision in FY2014 pertaining to the discontinued operations.

Our loans and borrowings increase by S\$1.0 million, or 40.7%, from S\$2.3 million as at 31 December 2014 to S\$3.3 million as at 31 December 2015 due an increased in loans and hire purchase financing taken by the Group during FY2015.

As at 31 December 2015, the Group is in a net current liabilities position of S\$2.4 million.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Net Cash Generated from/ Used in Operating Activities

In FY2015, we recorded net cash used in operating activities of S\$4.0 million, which comprised operating cash flows before changes in working capital of S\$0.1 million, net working capital outflow of S\$3.7 million, net interest payment of approximately S\$169,000 and income tax payment of approximately S\$136,000.

The working capital outflow was mainly due to a net change of S\$2.8 million in trade and other receivables and a decrease of trade and other payables of S\$0.9 million.

Net Cash Generated from/ Used in Investing Activities

In FY2015, we recorded a net cash outflow from investing activities of S\$8.1 million which was mainly due to the purchase of property, plant and equipment of S\$7.9 million and the additions to investment property of S\$0.2 million.

Net Cash Generated from/Used in Financing Activities

In FY2015, we recorded a net cash inflow from financing activities of approximately S\$8.6 million. This was mainly due to proceeds from bank borrowings and finance lease obligations amounting to S\$10.8 million, partially offset by repayment of bank borrowings and finance lease amounting to S\$1.4 million and payment of S\$1.1 million in IPO related expenses.

Overall the cash and cash equivalent of the Group has decreased by S\$3.5 million from S\$4.5 million as at 31 December 2014 to S\$1.0 million as at 31 December 2015.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was disclosed to shareholders previously.

² The convertible loan was classified as Other Payables as at 31 December 2014 as these were advances received by the pre-IPO investors where the convertible loan deed was only entered into after year-end.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group completed the acquisition of its new facility at 8 Loyang Way 4 in December 2015 and is expected to commence operation towards the end of 1Q2016. This would increase our centralised dishware washing capacity to meet the increase in demand for our service as shown from our strong order book of approximately S\$18.2 million as disclosed in the Offer Document. Please refer to the Offer Document for further details. With an anticipated tightness in the labour market for dishwashing staff and the Government's continuous effort to reduce domestic companies' reliance on foreign workers, we continue to see a favourable shift in demand for our services. The Group is of the opinion that any further increase in business volume will continue to reap economies of scale.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended by the directors of the Company for the financial year ended 31 December 2015.

13. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

No segmental information is presented based on business or geographical segment as the Group operates in only one business segment, which is the provision of centralised dishware washing and cleaning services in Singapore.

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to item 8 above.

15. A breakdown of sales as follows:-

	FY2015 \$'000 Group	FY2014 \$'000 Group	% Increase/ (decrease) Group
a) Sales reported for first half year	3,417	1,164	193.6%
b) Loss before tax for first half	(64)	(378)	(83.1%)
c) Sales reported for second half year	2,842	1,285	121.2%
d) Loss before tax for second half year	(812)	(932)	(12.8%)

16. Summary of Interested Person Transactions for the financial year ended 31 December 2015

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920)		
	1H2015 ⁽¹⁾	1 July 2015 to 15 December 2015 ⁽¹⁾	FY2015
	S\$	S\$	S\$
Amount paid to Brightlink Electrical for electrical services	2,780	-	2,780
Sale of equipment to Cherry Belt	127,330	-	120,200 ⁽⁵⁾
Sale of equipment to Delijoy	4,200	-	8,400
Amount due from Yogurt Place	497,236 ⁽²⁾	-	-
Amount due to HKW	528,469 ⁽³⁾	-	-
Advances from Hawkerway to Mr Pang	1,500,000 ⁽⁴⁾	500,000 ⁽⁴⁾	2,000,000 ⁽⁴⁾
Advances from Mr Pang to Greatsolutions	-	195,000 ⁽⁴⁾	195,000 ⁽⁴⁾
Advances from Mr Pang to GS Cleaning	-	5,000 ⁽⁴⁾	5,000 ⁽⁴⁾
Amount paid or payable by Eastlink to Greatsolutions for cleaning services	217,379	182,800	437,479
Amount paid or payable to Greatsolutions by Koufu for cleaning services	240,750	192,000	468,750
Rental amount from HKW to Hawkerway	300,000	250,000	600,000
Amount paid or payable by HKW to Greatsolutions for cleaning services	90,000	-	90,000

Notes:

(1) Please refer to the Offer Document for further details

- (2) The amount due from Yogurt Place has been settled in full as at 15 December 2015
- (3) The amount due from HKW has been settled in full as at 15 December 2015
- (4) The advances between the Group and Mr Pang have been settled in full as at 15 December 2015
- (5) Credit note issued to Cherry Belt for the return of certain equipment previously sold

The Group has not obtained a general mandate from shareholders for interested person transactions.

17. Use of IPO Proceeds

Pursuant to the company's IPO, the Company received net proceeds from the IPO of approximately S\$4.1 million (the "**Net Proceeds**"). Please refer to the Offer Document for further details. As at the date of this announcement, the Net Proceeds have been utilized as follows:

<u>Purpose</u>	Allocation of Net Proceeds (as disclosed in Offer Document) (S\$'000)	Net Proceeds utilized as at the date of this announcement (S\$'000)	Balance of Net Proceeds as at the date of this announcement (S\$'000)
Expansion of dishware washing operations	2,500	(1,100)	1,400
General working capital	1,590	(1,000)	590
	4,090	(2,100)	2,090

As at the date of this announcement, the Company has utilized S\$0.9 million for the renovation of 8 Loyang Way 4 and another S\$0.2 million to purchase of new machinery for the expansion of the Group's dishware washing operations.

The Company has also utilized S\$1.0 million as general working capital for GreatSolutions Pte Ltd in anticipation of an increase in operating costs in line with higher sales volume.

The above utilisation is in accordance with the intended use of proceeds from the IPO as stated in the Offer Document.

18. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the Catalist Rules.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Pang Yiling, Eliss	32	Daughter of Mr. Pang Pok	Special Projects Manager since 2015	No change

BY ORDER OF THE BOARD

Pang Pok

Executive Chairman and Chief Executive Officer

29 February 2016